



## TRADE GAP NARROWS IN JULY 2004

*Preliminary estimates of U.S. international trade in goods and services*

The U.S. monthly goods and services deficit narrowed in July 2004, according to estimates released today by the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The deficit decreased \$4.9 billion from June to \$50.1 billion in July as exports increased and imports decreased.



### Exports

Exports of goods and services increased \$2.8 billion in July to \$95.9 billion, as goods exports increased and services exports decreased slightly.

- The increase in goods exports was largely attributable to increases in *capital goods* and *industrial supplies and materials*.
- The decrease in services exports was more than accounted for by a small decline in *transfers under U.S. military sales contracts*.

### Imports

Imports of goods and services decreased \$2.1 billion in July to \$146.0 billion, as a result of decreases in both goods imports and services imports.

- The decrease in goods imports was more than accounted for by decreases in *industrial supplies and materials* and *consumer goods*. *Automotive vehicles, parts, and engines* increased.
- The decrease in services imports was largely attributable to a decline in *other transportation*.

### Goods by geographic area (not seasonally adjusted)

- The goods deficit with China increased from \$14.2 billion in June to \$14.9 billion in July. Exports decreased \$0.1 billion to \$2.7 billion, while imports increased \$0.6 billion to \$17.6 billion.
- The goods deficit with the European Union (25) decreased from \$10.6 billion in June to \$10.5 billion in July. Exports decreased \$0.6 billion to \$13.1 billion, while imports decreased \$0.7 billion to \$23.6 billion.
- The goods deficit with Mexico decreased from \$4.9 billion in June to \$3.5 billion in July. Exports decreased \$0.3 billion to \$8.7 billion, while imports decreased \$1.6 billion to \$12.2 billion.

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BEA's data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on its Web site: <[www.bea.gov](http://www.bea.gov)>.

NOTE: This and more information is provided in the September 10 press release issued by the U.S. Bureau of Economic Analysis and the U.S. Census Bureau, U.S. International Trade in Goods and Services: July 2004. The next release is October 14, 2004.